



House of Representatives

General Assembly

File No. 107

January Session, 2009

Substitute House Bill No. 6407

House of Representatives, March 19, 2009

The Committee on Public Safety and Security reported through REP. DARGAN of the 115th Dist., Chairperson of the Committee on the part of the House, that the substitute bill ought to pass.

AN ACT CONCERNING ELIGIBILITY FOR ASSISTANCE AND EXPENDITURES FROM THE SOLDIERS, SAILORS AND MARINES FUND.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 27-140 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective July 1, 2009*):

3 All money so paid to and received by the American Legion shall be
4 expended by it in furnishing food, wearing apparel, medical or
5 surgical aid or care or relief to, or in bearing the funeral expenses of,
6 soldiers, sailors or marines who (1) performed service in time of war,
7 as defined in subsection (a) of section 27-103, in any branch of the
8 military service of the United States, including the Connecticut
9 National Guard, or [who] were engaged in any of the wars waged by
10 the United States during said periods in the forces of any government
11 associated with the United States, [who] (2) have been honorably
12 discharged therefrom or honorably released from active service

13 therein, [and who were citizens or resident aliens of the state at the
14 time of entering said armed forces of the United States, including the
15 Connecticut National Guard, or of any such government, or to their
16 spouses who are living with them, or to their widows or widowers
17 who were living with them at the time of death, or dependent children
18 under eighteen years of age, who may be in need of the same] and (3)
19 were citizens or resident aliens of the state upon application for and
20 while in receipt of assistance under this section. The spouses living
21 with such soldiers, sailors and marines, the widows or widowers who
22 were living with such soldiers, sailors and marines at the time of death
23 of such soldiers, sailors and marines, or the dependent children under
24 eighteen years of age of such soldiers, sailors and marines, shall
25 receive payments under this section. All such payments shall be made
26 by the American Legion under authority of its bylaws, which bylaws
27 shall set forth the procedure for proof of eligibility for such aid,
28 provided payments made for the care and treatment of any person
29 entitled to the benefits provided for herein, at any hospital receiving
30 aid from the General Assembly unless special care and treatment are
31 required, shall be in accordance with the provisions of section 17b-239,
32 and provided the sum expended for the care or treatment of such
33 person at any other place than a state-aided hospital shall in no case
34 exceed the actual cost of supporting such person at the Veterans'
35 Home, unless special care and treatment are required, when such sum
36 as may be determined by the treasurer of such organization may be
37 paid therefor. The treasurer of such organization shall account to the
38 Governor and the General Assembly during the months of January,
39 April, July and October for all moneys disbursed by it during the three
40 months next preceding the first day of either of said months, and such
41 account shall show the amount of and the name and address of each
42 person to whom such aid has been furnished. Upon the completion of
43 the trust provided for in section 27-138, the principal fund shall revert
44 to the State Treasury.

45 Sec. 2. (*Effective July 1, 2009*) In the event the Comptroller uses state
46 funds to make up the difference between the expenditures from the
47 Soldiers, Sailors and Marines Fund and the interest income of said

48 fund, for the fiscal year ending June 30, 2010, the state shall be
49 reimbursed for the amount of any such state funds from the principal
50 of the Soldiers, Sailors and Marines Fund.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2009</i>	27-140
Sec. 2	<i>July 1, 2009</i>	New section

Statement of Legislative Commissioners:

In subdiv. (3) of section 1, "the" was inserted before "dependent" for clarity.

VA *Joint Favorable Subst. C/R*

PS

PS *Joint Favorable*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 10 \$	FY 11 \$
Soldiers, Sailors & Marines' Fund	SS&MF - See Below	See Below	See Below
Resources of the General Fund	GF - Savings	320,000	See Below

Note: SS&MF=Soldiers, Sailors and Marines' Fund; GF=General Fund

Municipal Impact: None

Explanation

The bill allows the Comptroller to draw funds from the principal of the Soldiers, Sailors and Marines' Fund (SSMF) in the event that the General Fund is used to make up the difference between expenditures by the agency and the interest income of the Fund for FY 10. Based on current services, this would result in a projected savings of \$320,000 to the General Fund in FY 10, though an estimated cumulative negative balance of \$4.0 million would remain. The principal of the fund totaled \$60.8 million as of June 30, 2008.

The bill also conforms statute to current practice by clarifying eligibility requirements for assistance from the SSMF to require that recipients be Connecticut residents when they apply for assistance, rather than when they entered the armed forces. This does not result in any fiscal impact.

The Out Years

The fiscal impact of the bill is limited to FY 10. To the extent that the SSMF continues to run a negative balance into the out-years, this would increase the degree to which the General Fund currently subsidizes the agency.

Source(s): Attorney General's Opinion 4/11/1990; Connecticut State Auditors' Report: Soldiers', Sailors', and Marines' Fund 7/23/2007

OLR Bill Analysis**sHB 6407*****AN ACT CONCERNING ELIGIBILITY FOR ASSISTANCE AND EXPENDITURES FROM THE SOLDIERS, SAILORS AND MARINES FUND.*****SUMMARY:**

This bill conforms the law to current practice by requiring veterans to be state residents when they apply for, and while receiving, assistance from the Soldiers, Sailors and Marines Fund. Under current law, veterans had to be state residents when they entered the armed forces.

By law, the Finance Advisory Committee may appropriate state funds to cover the difference between the fund's interest income and the amount the fund spent. The bill requires the state, in FY 10, to recover the difference by taking it out of the fund principal.

EFFECTIVE DATE: July 1, 2009

BACKGROUND***Soldiers, Sailors and Marines Fund***

This fund provides financial and other relief to (1) honorably discharged veterans of the U.S. or allied armed forces or the Connecticut National Guard and (2) their living and surviving spouses and dependent children under age 18. This includes food, clothing, medical or surgical aid or care or relief, and funeral expenses.

Attorney General's Opinion

According to a 1990 attorney general's opinion, the current residency requirement for Soldiers, Sailors and Marine Fund benefits is unconstitutional (Attorney General's Opinion, dated April 11, 1990).

COMMITTEE ACTION

Select Committee on Veterans' Affairs

Joint Favorable Substitute Change of Reference

Yea 10 Nay 0 (02/26/2009)

Public Safety and Security Committee

Joint Favorable

Yea 22 Nay 0 (03/05/2009)